

number calls”).

Collect calls and 3d number calls cannot be blocked with ordinary “toll blocking.” These calls can only be blocked with Billed Number Screening (“BNS”) service and it is only effective if the operator service provider (“OSP”) subscribes to and uses the service. If OSPs do not subscribe to BNS, collect and 3d number calls can and will be billed to the Lifeline customer’s account.

Telcos outside the United States do not have BNS information available to them. Therefore, the only way to prevent collect and 3d number calls from being billed to a Lifeline customer’s account is to have the customer refuse to accept the charges on collect and/or 3rd number calls when the operator asks the customer if he/she will accept the charges.

The potential for abuse by customers is obvious. Because Lifeline customers can take advantage of this loop hole and can accept long distance calls made from foreign countries or can bill long distance calls they make from payphones or other phones to their Lifeline number, U S WEST and other domestic carriers must have the right to collect a service deposit from Lifeline customers. This need exists even though the carriers offer “toll blocking” to Lifeline customers.

U S WEST urges the Commission to modify the rule in 47 C.F.R. § 54.401(e) to provide that carriers who offer toll blocking may also require Lifeline customers, especially Lifeline customers who violate a no billed toll agreement, to pay a service deposit in order to initiate or maintain Lifeline service and that, absent payment of a service deposit, carriers may deny Lifeline service.

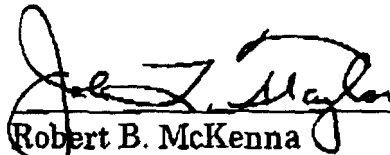
VII. CONCLUSION

U S WEST urges the Commission to reconsider each of these issues, because, without modification or clarification, the universal service support mechanisms adopted by the Commission will not implement all of the universal service objectives established by Section 254 of the Act, will not maintain rates for basic residential service at affordable levels, will not ensure that affordable basic service continues to be available to all users, and will not bring the benefits of competition to as many consumers as possible.

Respectfully submitted,

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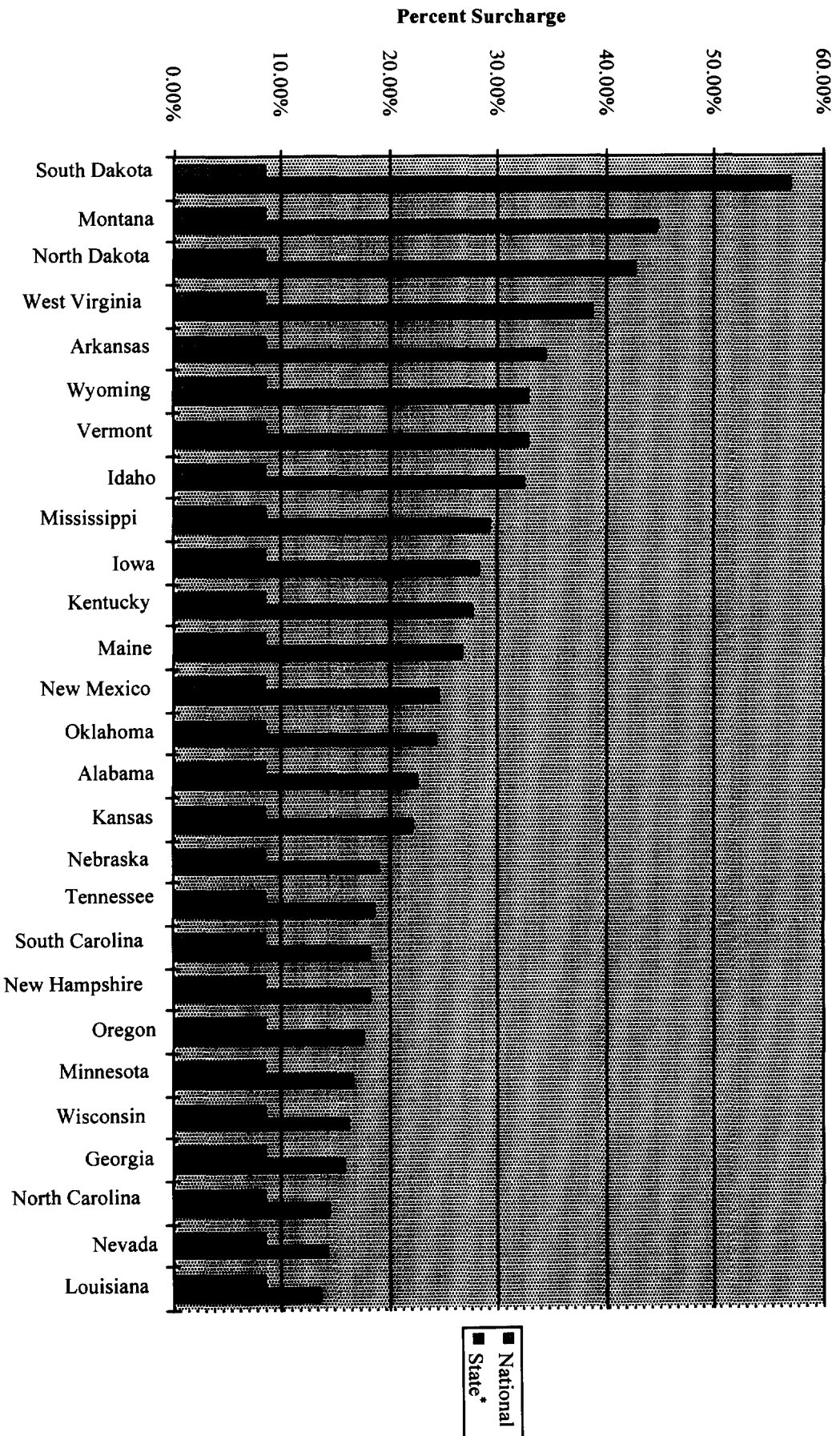
Of Counsel,  
Dan L. Poole

July 17, 1997

**Attachment 1**

# State vs. National Fund (1 of 2)

(Assumes \$13.7B Fund - BCPM @ \$30)

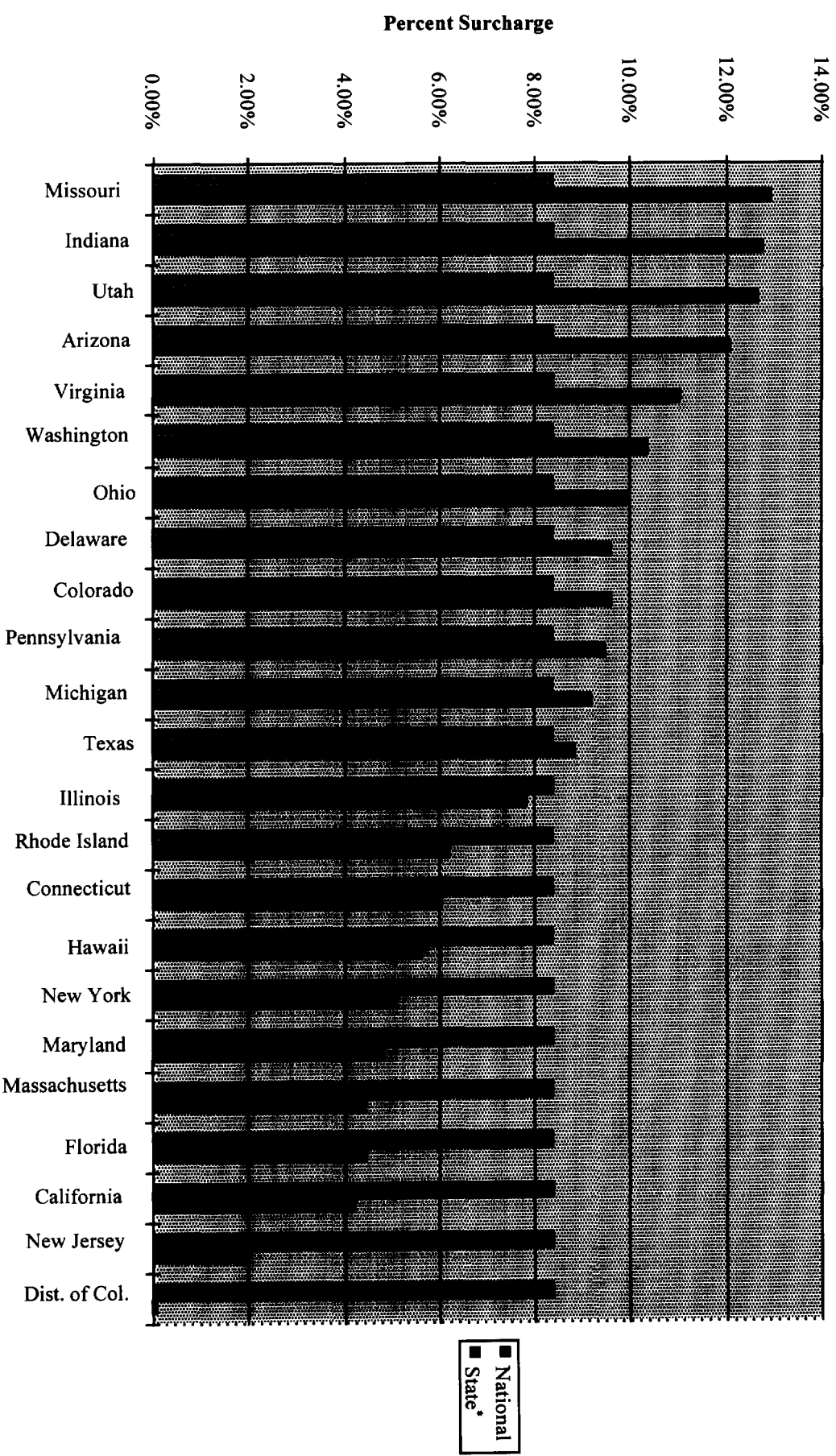


\* Under the state alternative, customers in all states would pay a 5.0% surcharge on all interstate services.

# State vs. National Fund (2 of 2)

(NOTE SCALE CHANGE FROM CHART 1)

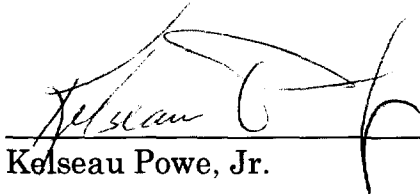
(Assumes \$13.7B Fund - BCPM @ \$30)



\* Under the state alternative, customers in all states would pay a 5.0% surcharge on all interstate services.

## **CERTIFICATE OF SERVICE**

I, Kelseau Powe, Jr., do hereby certify that on this 17th day of July, 1997, I have caused a copy of the foregoing **PETITION FOR RECONSIDERATION AND CLARIFICATION OF U S WEST, INC.** to be served via first-class United States Mail, postage prepaid, upon the persons listed on the attached service list.

  
Kelseau Powe, Jr.

**\*Via Hand-Delivery**

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